



DPRK RESIDENTS PAYING MORE TAXES SINCE CURRENCY REFORMS

According to Daily NK, an online news site created by members of the Network for North Korean Democracy and Human Rights, North Korean defectors arriving in South Korea after the North's failed currency reform attempt at the end of last year have revealed that 20~30 percent of the average citizen's daily living expenses are made up of pseudo-taxes paid to the government.

The latest defectors report that since the currency reform measures, an average North Korean family of four spends at least 50,000~60,000 won per month. More specifically, a family needs 35,000 won for food, and around 10,000 won for clothes and other daily necessities. The remaining 15,000 won or more goes to electrical bills and other payments to the government.

Water and power bills run approximately 1000 won per month. In addition, each household pays approximately 30 percent of earnings per person for land rents for private agricultural plots. If a family has corn on a plot around 130 square meters, it pays approximately 3,000 won per month in land rents.

Other miscellaneous taxes, including construction support, military support, foreign exchange fees and children's school fees, can add up to more than 10,000 won per month. According to one defector arriving from Onsong this July, "At elementary schools in the Onsong region, students are ordered to provide 10 kilograms of apricot seeds to be sold for foreign currency,



and those who cannot provide the seeds are forced to pay 5,000 won cash...some of those children who cannot come up [with the money] can't go to school because of harassment there.”

One defector who arrived from Hyeryong last December stated, “Students at the Kim Ki Song Middle School No. 1 pay 30,000 won every three months for school beautification projects, but the children of most laborers have no money, and some have been unable to endure, and have dropped out.” Another defector from Hyeryong, who fled the North in June of this year, revealed that with no state rations, individuals had to find their own food, turning to dogs, rabbits, leather and green onions.

Those residents wanting to sell wares in local markets pay between 300~2000 won each day, and as much as 10,000-60,000 won per month, for stall rental. Those doing well can make some profit, but those who fail to sell much still have to pay for the use of a stall. In addition to these taxes and fees, the 30 percent of North Koreans without a house also pay at least 30,000 won per month in rent.

A defector from Chongjin who arrived in South Korea last July stated that at the Gundang market, sellers pay 300 won each, so authorities clear as much as 60,000 won, which they use for travel, fuel, and to take care of officials. One of the reasons for the growing number of street children in the North is the inability of many families to cover all these costs. However, high-level officials from the military and the government still earn additional funds through illegal trading, currency exchange, and bribery, allowing them to live comfortably in luxury apartments in Pyongyang.